BUSINESS IN CAMEROON

June 2014 · N° 17

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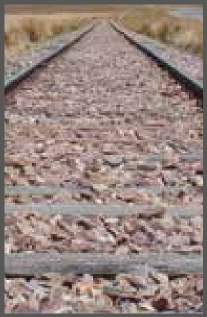
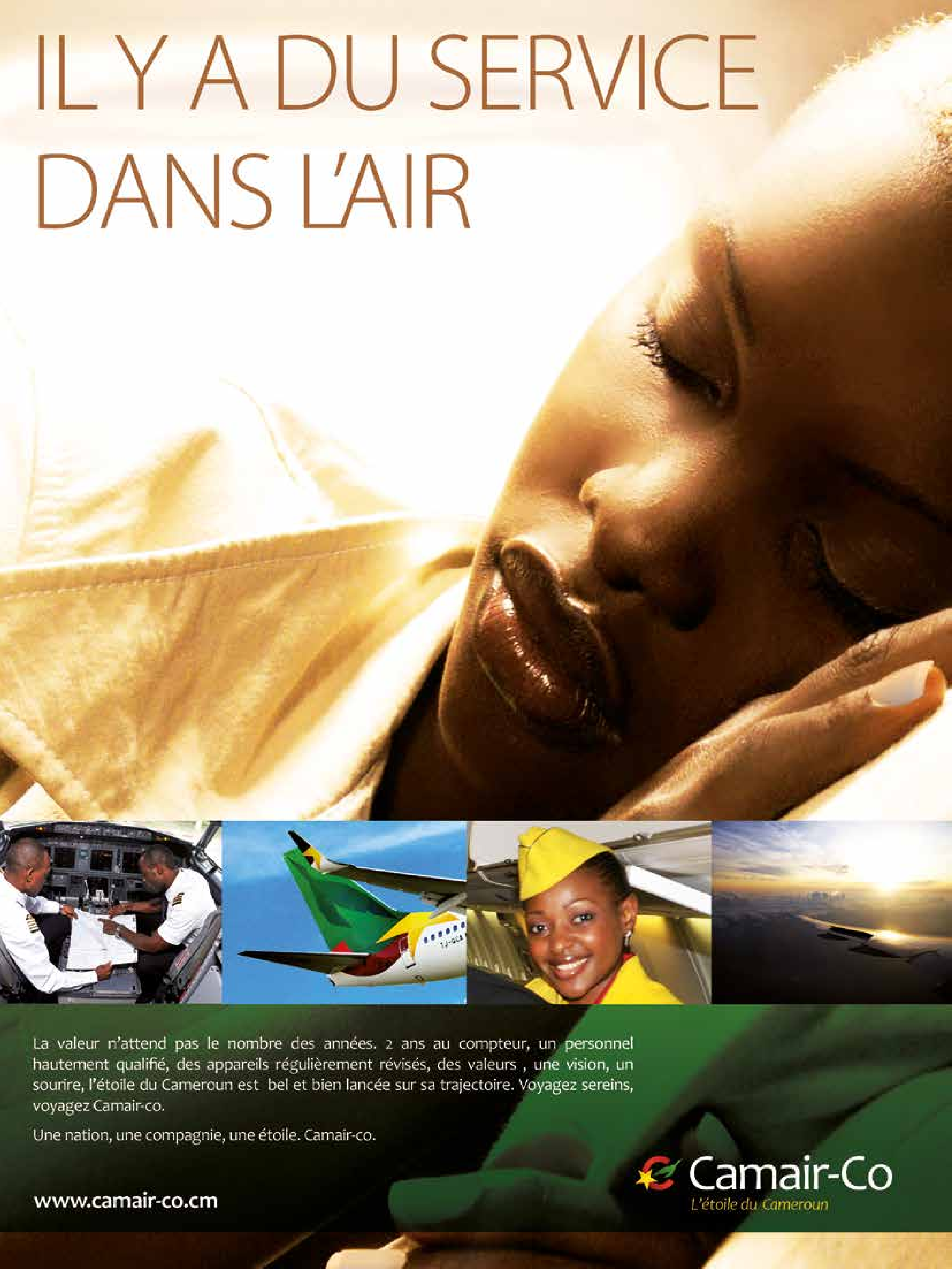
Mota-Engil to build Mbalam-Kribi railway




IL Y A DU SERVICE
DANS L'AIR
La valeur n'attend pas le nombre des années. 2 ans au compteur, un personnel hautement qualifié, des appareils régulièrement révisés, des valeurs , une vision, un sourire, l'étoile du Cameroun est bel et bien lancée sur sa trajectoire. Voyagez sereins, voyagez Camair-co.
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Yasmine Bahri-Domon

On peace and the World Cup

As I write this editorial, I can't help thinking about this month's major sporting event: the World Cup 2014 being held in Brazil! I have to start with a cheer: Go Lions! You represent the love a nation and its people can have for their team – Cameroon's team. You are undeniably one of the strongest teams in the tournament because of your homogeneity. Samuel Eto'o Jr, Eric Maxim Choupo Moting, Alexandre Song, Aboukar Vincent, Nicolas Nkoulou… You're all stars! Believe me! Be proud to represent Cameroon and wave high and wide the star emblazoned flag that symbolises the unity of Cameroon; a country that is simultaneously complex, endearing and enigmatic.

But, at this very moment, I also can't help thinking about these fanatics seemingly from another planet and these girls who have been kidnapped in the name of what cause and what religion? They certainly were not taken in the name of the Islamic faith which promotes peace and tolerance. When I was a preteen, I lived in a predominantly Muslim country. My grandmother, with whom I spent two years of my life, read the Koran, prayed and respected the five pillars of Islam… and passed this on to us. But above all, she taught us love, sharing and tolerance which are the foundations of all religions. These fundamentals of Islam are apparent in the nation of Cameroon. At the May 17, 2014 meeting to which he was invited by his French counterpart, François Hollande, and in the presence of his African colleagues and the international community, the Head of State, His Excellency, Mr Paul Biya, expressed his determination to preserve peace in Cameroon – peace that is essential to economic and social development.

Bolstered by this assurance, Cameroon has been pushing forward its extensive programme focused on affordable housing, real estate has been booming and growth has been tangible. Increased cement consumption is the sign of an economic resurgence and its repercussions. The State of Cameroon and its financial and local partners are finding sound value in real estate. Over 75,000 homes are undergoing construction, the sector is profitable and the investors are many. On all fronts, Cameroon is striving to improve the quality of life of its people and the business environment. The local banking sector's dynamism and the financial partners' keen interest are proofs of this economic recovery.

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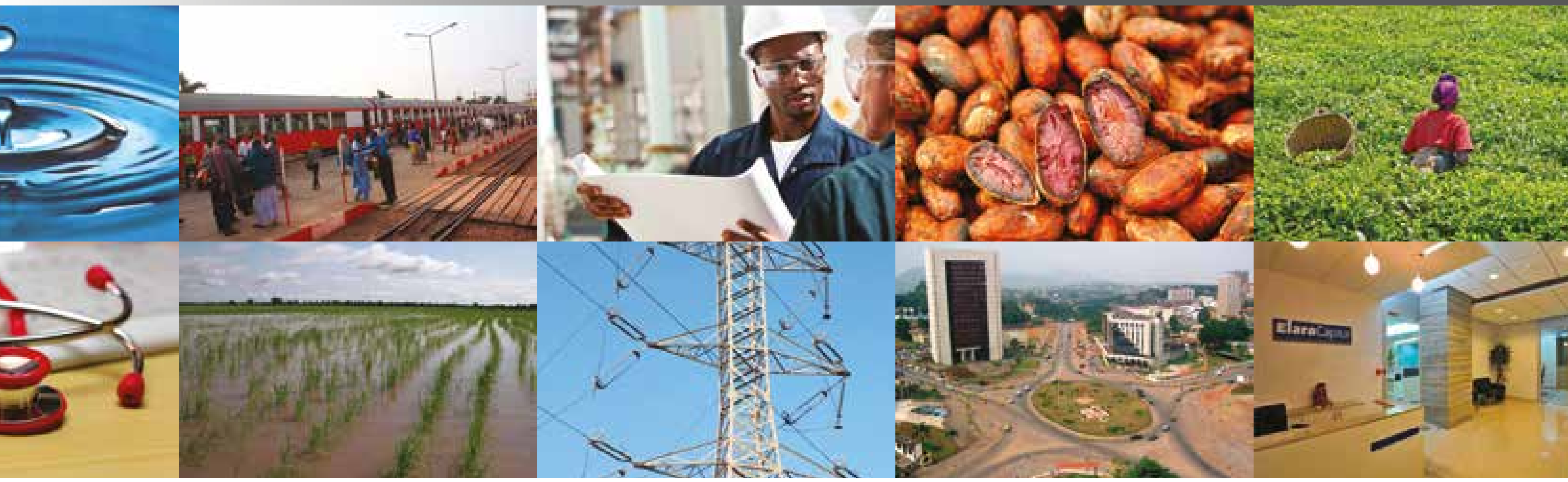

ElaraCapital

CASTING

JAKOB SIDENIUS

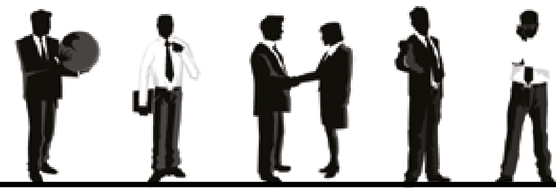
On May 30, 2014 in Douala, the economic capital of Cameroon, Dane native Jakob Sidenius officially assumed his post as Director General of Douala International Terminal (DIT), the concession holder of the Douala Port's container terminal, replacing Neville Bisset. Jakob Sidenius is originally from Cotonou, Benin, where he managed the container terminal of the Beninese port which is reputed to be one of the most competitive in sub-Saharan Africa.

But before Cotonou, the new director general of DIT, a company that specialises in container terminal management, earned his stripes as head of the container terminal at ports of Havre, one of the most prestigious in France, Dunkerque (France), Copenhagen (Denmark), Brigantine (Hong-Kong) and Nouakchott (Mauritania). According to the new chairman of the board at DIT, Hamadou Sali, with 25 years of experience in the maritime industry, Jakob Sidenius' arrival at the helm of the Douala container terminal "*demonstrates DIT's commitment to profound change.*"

MARIO DE ZAMAROCZY

Following its mission in Cameroon on May 8, 2014, the International Monetary Fund (IMF) mission led by Mario de Zamaroczy, strongly criticised the gap identified between the State's "rare" revenue and "daring" expenditure which is putting the "*the budget under pressure. The budget needs to be rethought in order to increase revenue and, in light of the scarce resources, there needs to be some prioritisation of expenditure,*" stated the IMF chef de mission.

For the IMF, the main budgetary elements involved are State grants for oil products and grants to public sector companies. For at least two years, the IMF has consistently recommended to the government that it do away with the oil product consumption grant which rose from 120 billion FCfa in 2010 to 420 billion FCfa in 2013.



JEAN-PIERRE BIYITI BI ESSAM

For the celebration commemorating the 149th International Communications and Information Society Day, the Cameroonian Minister of Postal Services and Telecommunications, Jean Pierre Biyiti bi Essam, announced the upcoming construction of the first internet hubs in Yaoundé and Douala, the two largest cities in Cameroon.

Without providing a project timeline and the cost of the investment, the Cameroonian government member stated that "*the implementation of internet hubs at the local, national, sub-regional and regional levels is a priority if we intend to solve the connection problems and improve the quality of service as well as lower interconnection costs.*"

MARC SAMATANA

The Cameroonian government has just made two international calls for tenders for the provision of 1,000 tonnes of phosphatised steel to package bales of cotton and 12 semi-trailer trucks for the transportation of Société de développement du coton (Sodecoton) cotton.

Market subscribers will have to make deposit payments of 20 and 24 million FCfa respectively for the provision of phosphated steel for packaging and trailers. Bids are to be submitted to the Ministry of Public Contracts no later than July 4 2014 (phosphate steel) and July 17, 2014 (trailers).

OMER GATIEN MALÉDY

Within the framework of the programme to clean-up the cocoa and coffee sales in Cameroon, the CICC has announced that, as of the next season, it will be providing exporters with magnetised cards. "*We have invested heavily in this equipment,*" confessed Omer Gatien Malédy, the Executive Secretary of the CICC.

According to the cocoa and coffee sector, this innovation aims to limit the sale of beans and berries which skews the statistics and pauperises producers. Generally, people who are sometimes quite unknown excel at this activity, but often falsify the organisation's professional IDs issued to distinguish real exporters from imposters.

JEAN DAVID BILÉ

The concession holder of the public electricity company in Cameroon, AES Sonel, recently sold to the British investment fund, Actis, launched May 27, 2014, a competition to name the new electricity production, transportation and distribution company in Cameroon, states the press release.

Christened "*Who wants to write history?*", the competition launched by the company directed by Jean David Bilé Baptisé is for clients, company employees, students and professionals in marketing and communication. They must submit their proposals to the jury by June 10, 2014. According to the competition's organisers, the winning proposal must "*evoke a positive national symbol or expression that belongs to our cultural heritage. It must be short, dynamic, easy to pronounce and to understand, be long-term and demonstrate a commitment to the well-being of the Cameroonian people.*"

The Cameroonian Head of State "declares war" on the Islamist sect Boko Haram

The presidents of Nigeria, Cameroon, Benin, Chad and Niger were received at Elysée Palace on May 17, 2014, by their French counterpart, François Hollande, for a meeting in which the United States, Great Britain and the European Union also participated. "*We are here to declare war on Boko Haram,*" briefly stated the Cameroonian Head of State, Paul Biya.

By kidnapping over 200 young girls and threatening to sell them, the Nigerian terrorist group wanted to generate publicity. One can say that it surpassed its objective beyond its ambitions. The whole world was moved by the story of the young captives which sparked an international movement to end the crisis that has been destabilising the the African continent's leading economic and demographic power.

According to François Hollande, the meeting led to the drafting of a programme of actions including border surveillance, a military presence at Lake Chad and intervention in case of danger.

According to François Hollande, the meeting led to the drafting of a programme of actions including border surveillance, a military presence at Lake Chad and intervention in case of danger. "*Boko Haram is no longer a local organisation alone. As of 2009, its activity has become that of Al-Qaeda in West and Central Africa,*" warned the Nigerian President, Goodluck Jonathan.

The presence of the Islamist sect, Boko Haram in North Nigeria is having a serious impact on security in the northern region of Cameroon, a country that shares 1,500 km of its border with the African economic power. According to security sources, due to its location relative to Nigeria, Cameroon has often served as a base for members of this hunted Islamist sect which has readily committed exactions in Cameroon.

ON THE SECURITY FRONTLINE

There have been three kidnappings of expatriates (seven members of the Moulin Fournier family in February 2013 and the French priest Georges Vandenbeusch in November 2013, two Italian priests and a Canadian nun from the Tchéré parish released in May, and the 10 Chinese abducted in Waza) which occurred in 2013 in northern Cameroon and were attributed to the Nigerian Islamist sect.

According to the Civil Cabinet of the President of the Republic, the Cameroonian Head of State's participation at the Paris summit "*demonstrates, once again, Cameroon's unwavering commitment to the search for solutions to the varied crises that are affecting Africa.*" It is for this reason, the Civil Cabinet maintains, that "*Yaoundé hosted the June 24-25, 2013 Summit of CEEAC, CEDEAO and CGG Heads of State and Government on maritime safety and security in the Gulf of Guinea. Then, President Payl Biya actively participated, from December 6-7, 2013, at the Elysée Summit for Peace and Security in Africa.*"

In addition, the same institution recalls that, "*even more recently, at the 4th Africa/European Union Summit held in Brussels on April 2-3, 2014, the Cameroonian president made two important interventions focused on the issue of security in Africa at the meeting on the situation in the Central African Republic and during the working meeting on 'Peace and Security'.*"

The presence of the Islamist sect, Boko Haram in North Nigeria is having a serious impact on security in the northern region of Cameroon.

By kidnapping over 200 young girls and threatening to sell them, the Nigerian terrorist group wanted to generate publicity.

PARIS SUMMIT FOR SECURITY IN NIGERIA – CONCLUSIONS

The Heads of State of Benin, Cameroon, Chad, France, Niger and Nigeria, as well as representatives of the European Union, the United Kingdom and the United States, participated on 17 May 2014 in a Summit in Paris dedicated to security in Nigeria. This Summit has helped intensify regional and international mobilization to combat the terrorism of the Boko Haram group.

The Summit concluded with several decisions that will strengthen cooperation between regional States, both to enable the liberation of the abducted school girls and more generally to combat Boko Haram. The partners present (the European Union, France, the United States and the United Kingdom) are committed to supporting this regional cooperation and strengthening the international means to combat Boko Haram and protect victims. All these States reaffirm their commitment to human rights and particularly the protection of girls who are victims of violence and forced marriage or threatened with slavery.

Regional Cooperation

Nigeria and its neighbours will build analysis and response capabilities that will contribute to enhancing the security of all populations and the rule of law in the areas affected by Boko Haram's terrorist acts.

To combat the Boko Haram threat, which has recently manifested itself through several murderous attacks and the abduction of more than 270 school girls, Nigeria and its neighbours have decided to immediately:

1. On a bilateral basis

- Implement coordinated patrols with the aim of combating Boko Haram and locating the missing school girls
- Establish a system to pool intelligence in order to support this operation
- Establish mechanisms for information exchange on trafficking of weapons and bolster measures to secure weapons stockpiles
- Establish mechanisms for border surveillance;

2. On a multilateral basis

- Establish an intelligence pooling unit
- Create a dedicated team to identify means of implementation and draw up, during a second phase, a regional counter-terrorism strategy in the framework of the Lake Chad Basin Commission.

This approach is consistent with the 2012 Summit of the Lake Chad Basin Commission. The United States, the United Kingdom, France and the European Union will coordinate their support for this regional cooperation through technical expertise, training programmes and support for border-area management programmes.

Real estate: an industry built to last

In Tunisia, before the winds of the Arab spring blew, the government's promotion of low-income housing led to the construction of 10,000 housing units yearly. In Cameroon, this same effort, led by a construction company (SIC), a housing bank (Crédit foncier) and a land development company (Maetur), was unable to yield the same results, falling below the government's expectations.

Since independence, Société immobilière du Cameroun (SIC) has built almost 12,000 low-income housing units, of which close to 50% have been sold to individual clients. Better still, the State-run low-income housing entity strayed from its primary mission by investing in higher-end, more profitable, but beyond the reach of the average Cameroonian.

The results? The country officially has an estimated deficit of 1.2 million low-income housing units. To reverse this trend, the Strategy Document for Growth and Employment (DSCE), the country's long-term development compass, aims to build 10,000 emergency housing units by 2015 along with incentive mechanisms enabling the replication of this type of project.

A year from the target date, news on the project have been hardly glowing, but these concerns are appeased by the many upcoming real estate projects that will be carried by foreign investors. The latter seem to have weighed the opportunities that abound in the real estate sector in Cameroon where the low-income housing pressure continues to grow.

The country officially has an estimated deficit of 1.2 million low-income housing units

Even commercial banks are showing their inclination to play their part in promoting this sector – not out of generosity, but certainly because investing in real estate in Cameroon is profitable. But this is a reality that the Cameroonian diaspora has been slow to integrate to take advantage of it as other countries like Morocco have done where their countrymen have become major players in the national real estate market. The door through which this model could be imported remains open, however.

The foreign investors seem to have weighed the opportunities that abound in the real estate sector in Cameroon

Brice R. Mbodiam

In 37 years, Crédit foncier du Cameroun has financed the construction of 69,500 low-income housing units

Since its creation in 1977, Crédit foncier du Cameroun (CFC), the country's housing bank, has granted loans totalling 261 billion FCfa which enabled the construction of 69,500 housing units and the development of 15,700 plots of land for building.

This achievement has not given rise to celebration as the CFC's Director General, Jean Paul Missi confesses that in Cameroon today, "*the availability of low-income housing is far below what is really needed.*" It is in an effort to address this growing concern that the CFC recently

Crédit foncier du Cameroun recently launched a major campaign to promote its loan products for affordable housing.

launched a major campaign to promote its loan products for affordable housing.

Meanwhile, Cameroon's housing bank has partnered with banking institutions such as Ecobank to make these products available both to Cameroonians at home and those living abroad. On March 3, 2014, CFC and Fonds spécial d'équipement et d'intervention intercommunal (Feicom), signed an agreement for the opening of a line of credit of 10 billion FCfa to facilitate the financing of low-income home construction projects for Cameroonian districts.

Yet, the country's housing shortage continues to grow. According to experts, despite the arrival of private real estate promoters and developers in the sector and the interest shown by more and more decentralised local collectives in the promotion of low-income housing, "*only 50% of demand has been met.*" This is due to the high cost of construction materials and difficulty accessing land ownership which have become insurmountable obstacles to a population with relatively little purchasing power.

"The availability of low-income housing is far below what is really needed."

STANDARDISATION OF LOW-INCOME HOUSING LAUNCHED IN CAMEROON

On October 10, 2013 in Yaoundé, the Standards and Quality Agency (ANOR) held a workshop on the standardisation of construction norms for low-income housing in Cameroon. The meeting was intended to discuss the expectations of various entities (government, entrepreneurs, real estate companies…) with regards to the formulation of 30 priority standards to be met during the immense low-income construction project to be carried out by Chinese companies.

The establishment of these standards, states ANOR, rests with the Chinese Programme Specialised Technical Committee (CTS-PC), for which construction work was officially launched in the margins of the October 10, 2013 workshop. Once established, these standards will not only be implemented within the framework of the above-mentioned programme, but also in other future low-income housing construction projects.

State pulls out all stops to complete 10,000-home project

A commission chaired by Marie Rose Dibong, State Secretary within the Ministry of Housing in Cameroon has already enabled the sale of the first available 1,675 low-income homes in Olembé in the suburbs of the Cameroonian capital and built within the framework of the government project to build 10,000 homes by 2015. Put in place in May 2013, the said commission's mandate was to provide the government with eligibility modalities for these homes.
But, in this project, which also includes the development of 5,000 plots of land for building, this major achievement has not soothed concerns surrounding the project. Indeed, the Cameroonian authorities were supposed to have delivered the first 1,500 homes back in 2010, based on the initial timeline, but numerous delays have stalled the project, particularly the lack of financing expressed by the entities that received the contracts.
In order to fulfil its commitment to build 10,000 low-income homes in Yaoundé (Olembe) and in Douala (Mbanga-Bakoko) by 2015, the Cameroonian government, which turned to foreign partners (the Chinese and Spaniards), has been scrambling for several months. During a recent site visit by Ministry of Housing officials, employees of the Spanish company Coffor have been working on the Olembe site. They will have to finish 640 homes in a year while the Chinese company, Shenyeng, which also is working in Olembe, must build 1,800 homes.

Société nationale d'investissement (SNI) to create subsidiary in real estate

On April 21, 2014, the Managing Director of Société nationale d'investissement (SNI) in Cameroon, Yaou Aïssatou, published a call for expressions of interest for "specialised consultants" for pre-selection to sit on the advisory commission for the "organisation of SNI's real estate subsidiary", a company that is the right hand of the Cameroonian State in the area of public entrepreneurship.
Holder of the State's shares in several private and public companies in the country, Ms Yaou explains in the above mentioned document that the SNI "is planning to invest in real estate in Yaoundé and Douala in order to develop its real estate activity, to increase its land ownership and better manage the park that is already in existence."
Interested consultants are invited to submit their application no later than June 12, 2014 to the SNI's Directorate of Real Estate Operations in Yaoundé.
The SNI real estate subsidiary currently being created will find in the real estate sector another public company, Société immobilière du Cameroun (SIC), which has built around 11,000 housing units since independence, thus helping to reduce the country's housing shortage which stands today at one million.

180 billion in financing from Turkey now available for real estate projects in Cameroon

According to Omer Faruk Dogan (photo), Turkish Ambassador to Cameroon, Turkish real estate and low-income housing investors will be disbursing a total of 360 million dollars, which is approximately 180 billion FCfa for projects in Cameroon. The Turkish Ambassador just revealed the news following a meeting with the Cameroonian Minister of Urban Development and Housing, Jean Claude Mbwentchou.
The Turkish diplomat, who hopes that "this year will be the year for completing" the real estate projects of the Turkish business men and the Cameroonian government, maintains that "*out of the world's 200 best housing construction companies, Turkish multinational companies make-up the top 30*".
From March 25-28, 2013, the Cameroonian Head of State, Paul Biya, had led an economic mission to Turkey. Following this visit, the Ministry of Urban Development and Housing had announced the signing of an agreement to build 8,000 low-income homes in Cameroon with help from the world's 14th economic power's investors. One should note that Turkish Airlines has just launched a route from Cameroon.

Moroccan company, Addoha, to build 1,300 low-income housing units and 26 villas in Yaoundé

According to the Moroccan Ambassador to Cameroon, Lahcen Saile, the Moroccan company, Addoha, which specialises in construction materials, will soon be launching 1,300 affordable housing units and 26 villas. Moroccan diplomats have not specified the cost of the project which will consolidate its presence in Cameroon.
The Moroccan construction giant has already set-up a cement factory in the Bonabéri industrial zone in Douala, Cameroons' economic capital. CIMAF (Ciments de l'Afrique) has been operational since February 2014, with a production capacity initially estimated at 500,000 tonnes of cement per year, with the able to reach one million tonnes.
The new cement factory is expected to end the monopoly of the French company Lafarge's Cameroonian subsidiary, Cimencam, on the country's cement market; a monopoly that will have lasted 50 years. But along with CIMAF, Cameroon will soon have a new cement factory – that of the Nigerian billionaire Aliko Dangoté. Local communities and authorities are counting on the arrival of these new operators so that they can reduce the construction costs of building these housing units, particularly to reduce the price per bag of cement.

Deutsche Bank and Vital Capital Fund join forces to build 40,000 low-income housing units

Received by the Cameroonian Housing and Urban Development Minister, Jean Claude Mbwentchou, on March 5, 2014, heads of Vital Capital Fund, a Swiss investment fund, have announced an agreement with Deutsche Bank, to finance the construction of 40,000 low-income housing units in Cameroon.

The Cameroonian State and the investment fund had already signed an agreement of this nature in October 2013 in Yaoundé. This earlier agreement included the building of 40,000 homes in tranches of 5,000 in some towns and cities in Cameroon where the low-income housing deficit is estimated to be one million units.

The starting point for this partnership between the Cameroonian government and Vital Capital Fund was the investment fund's founder's meeting at the President's office on March 19, 2013. Following this exchange, the latter indicated that the fund had a five hundred million dollar line of credit (250 billion FCfa) to carry-out investment projects in Sub-Saharan Africa.

Local banks come to the rescue of low-income housing

Accused of not financing the national economy, despite excess liquidity, Cameroonian banks see in real estate, particularly in low-income housing, interesting prospects for their placements. This is how, for example, a 6 billion FCfa agreement was signed between the Ministry of Finance and three local banks to finance the construction of 560 low-income homes by the Spain-based company, Coffor.

To the pot, Ecobank added 2.5 billion FCfa while Afriland First Bank and BGFI Bank respectively contributed 2 billion FCfa and 1.5 billion FCfa. This three-year syndicated loan will be disbursed in two phases: 2.5 billion FCfa to start construction and 3.5 billion FCfa subsequently. This public-private partnership is necessary to resolve Cameroon's low-income housing problem, according to the Minister of Finance, Alamine Ousmane Mey.

In addition to loosening their purse strings, Cameroonian banks have been making great strides in the promotion of their products for real estate financing. Bicec Immo is one such example. It is a product that enables bank customers to access financing for real estate projects.

Haba Business Group also seeking to build 10,000 homes

On April 25, 2013, in the Services of the Prime Minister, Philémon Yang, the Qatari group Haba Business, represented by Thomas David Coyne, and the Cameroonian Minister of Urban Development and Housing, signed a memorandum of understanding for the construction of 10,000 homes by Haba Business Group in Cameroon's ten regions. Construction is expected to be completed in three years.

This is the first solid step emanating from the investment prospecting visit made by the Qatari group to Cameroon from April 22-27, 2013, led by its president, Hassan Ali Bin Ali.

During the meeting held between the Qatari group's president and members of the Cameroonian government, apart from real estate projects, several projects were revealed that Haba Business Group wishes to develop in Cameroon. For example, the company will be building an international airport in Douala and gold mining in the East region of Cameroon.

PUBLIC MANAGEMENT

19 Cameroonian companies and 145 products have been accepted into CEMAC's preferential regime

The Cameroonian Minister of Trade, Luc Magloire Mbarga Atangana, announced on April 30, 2014, that the Central African Monetary and Economic Community (CEMAC) cabinet approved 19 Cameroonian companies, representing 145 products, for the CEMAC preferential system. Mr Magloire revealed that the said companies will officially receive their approval on May 2, 2014 at a ceremony held in Yaoundé.

According to the Trade Minister, "*through the CEMAC preferential arrangement, these companies will have obstacle-free access to the markets of all CEMAC member states, thus significantly improving their competitiveness in a context of heightened competition.*"

For the Cameroonian government, the news is considered to be a major step in the promotion of Cameroonian products on external markets, particularly in the CEMAC space, which has six countries: Cameroon, the Congo, Gabon, Equatorial Guinea, Chad and the Central African Republic.

LIST OF COMPANIES ADMITTED TO THE CEMAC PREFERENTIAL SYSTEM

- Colgate Palmolive Cameroon (soap, toothpaste)
- Alubassa (aluminium kitchen utensils)
- SCR Maya (refined oil)
- Socatral (aluminium sheets)
- Sitron
- Chococam (chocolates and sweets)
- Azur (soap and detergent)
- Socafer
- Unalor (match sticks)
- Sofavinc (wines)
- Sicalia
- Semme Mineral Water (mineral water)
- Nouvelles Parfumeries Gandour (cosmetic products)
- Nestle Cameroun (milk and flavourings)
- New Foods (biscuits, chocolates, sugar)
- Ndawara Tea Estate (tea)
- Cameroon Tea Estate (tea)
- Air Liquide
- The major chemical complexes of Africa

For the World Bank, education can be a new source of economic growth for Cameroon

According to the World Bank, it will be difficult for Cameroon to become an emerging nation by 2035, as the authorities have planned, in light of the lags it has already encountered relative to its growth projections. The international financial institution noted in its last report that "*the average growth rate from 2010 to 2013 was 4.1%, which is one percentage point below the Vision 2035 target (and 0.8 percentage points below the DSCE reference point)*".

To reverse the trend, "*make-up for the lag and meet the official goals for 2020, an annual growth rate of 9.5% for the period 2014-2020 would be necessary, compared to the World Bank's current projections of 4.8-5.4%. This situation calls for renewed attention to growth sources in Cameroon. In light of the major impact of education on long term growth, a revision of growth sources should begin to examine the quality of human capital available,*" analysed the World Bank.

Supporting this recommendation, the Bretton Woods institution revealed that "*endogenous growth theories have been tested over the last three decades in a lot of countries and have confirmed that human capital plays an essential role in economic growth.*" In this regard, concluded the World Bank, "*education, as well*

as health, can contribute significantly to Cameroon's goal of becoming an emerging economy by 2035."

World Bank analysts are also advising the Cameroonian government to invest heavily in education because, "*although expenditure in public education has increased in Cameroon, moving from 1.9% of GDP to 3.3% in 2003, it has since been at a standstill, remaining below the regional average of 4.3%.*"

Elara Capital Ltd may make Cameroonian debut with four hotels

Vinod Tailor, Chairman d'Elara Capital Ltd, a London-based Indian capitalised investment bank, was recently received in Yaoundé by the Secretary General to the Cameroonian President's Office, Ferdinand Ngoh Ngoh. Leaving Palais de l'Unité, the Indian investor revealed that Elara Capital Ltd is interested in investing in Cameroon, a country which, according to him, holds "a lot of opportunities". The Chairman went on to explain that Elara Capital is especially interested in sectors such as health (to build a leading hospital), agriculture (to build an agro-industrial complex), education (to manufacture school books, of which 80% are still covered by French company Edicef), large-scale distribution, transportation and mining.

But before entering these sectors, Elara Capital plans to make its debut in Cameroon with the construction of four high-end hotels: two in Yaoundé, one in Douala and another in Kribi. This is what Rodolphe Simo Kam, Elara Capital Ltd's Cameroonian partner and ADG of the Sofitoul Group, a company active in tourism, revealed.

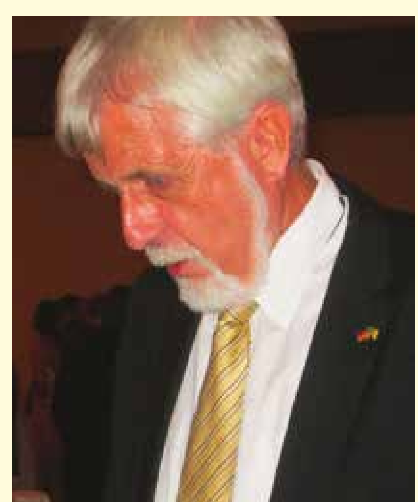
Germany disburses 56.7 billion FCfa in 2014-2016 to support decentralisation

On May 13, 2014 in its capital city, Cameroon's Minister of Economy, Emmanuel Nganou Djoumessi, and German Ambassador to Cameroon, Klaus-Ludwig Keferstein, signed two financing agreements worth 56.7 billion FCfa (around 86.5 million euros).

The money that will be provided by the Federal Republic of Germany for the 2014-2016 period will facilitate the financing of the on-going decentralisation process in Cameroon as well as foster local development. According to the Ministry of Economy, the financing agreements signed between the two countries will involve a donation of 25.2 billion FCfa (38.5 million euros) and a loan of 31.5 billion FCfa (around 48 million euros).

Germany is one of Cameroon's largest financiers in the decentralisation programme. Ambassador Klaus-Ludwig Keferstein asserts that improving the living conditions of people living in decentralised districts helps to fight poverty.

For the 2011-2013 period, the Federal Republic of Germany disbursed 99.5 billion FCfa in public development aid and this sum will increase by 11% in 2014-2016 according to a revelation made on December 3, 2013 in Yaoundé during the opening of intergovernmental negotiations between Cameroon and Germany.



Japan donates 4 billion FCfa to Cameroon for micro-project financing

On May 5, 2014, the Cameroonian Minister of Economy, Emmanuel Nganou Djoumessi (photo), and the Japanese Minister of Foreign Affairs, Fumio Kishida, signed an agreement for the donation of a total of 800 million yen (approximately 4 billion FCfa). According to Minister Nganou Djoumessi, this gesture on the part of the Japanese government is a contribution to the Cameroonian government's crusade against poverty.
According to the Cameroon government's daily publication, this is the fourth donation made by Japan to Cameroon which brings the total given to 11 billion FCfa.
The funds have been used to implement a 150-egg ranch in the northern region of Cameroon, the construction of a chicken slaughterhouse in Bafang in the West, the building of Société de transformation de manioc de Sangmélima (Sotramas – the Sangelima Cassava-Processing Company), in the South and the establishment of telemedicine.

Korea lends 28.7 billion FCfa to Cameroon for the construction of a first rate hospital in Garoua

On May 14, 2014, Cameroonian Head of State, Paul Biya issued a decree authorising the Minister of Economy, Emmanuel Nganou Djoumessi, to sign a loan agreement with South Korea for a total of 57.457 million USD which is approximately 28.7 billion FCfa.
This financing will be used to build and equip the new top hospital in Garoua, the regional capital of the North – one of Cameroon's seven regions. Prior to this hospital, Korea had already financed the construction of the Emergency Medical Centre being completed not far from the central hospital of the Cameroonian capital.
Outside of the health sector, South Korea's financial contributions in Cameroon are also apparent in the area of training, particularly the on-going construction of four training centres of excellence, a project led by the Ministry of Employment. With regards to direct investment, Korea is very present in the Cameroonian mining sector.

AGRIBUSINESS

Cameroon: Greenpeace accuses Herakles Farms of illegal felling through a front company

On May 27, 2014, the international NGO, Greenpeace, presented its investigative report in which it was revealed that "*the American company, Herakles Farms, by way of a front company, conspired with the Cameroonian Ministry of Forestry and Wildlife (which, so far, has issued no response to the accusation) to obtain unlawfully a logging licence as a part of the land deal it was granted in November 2013. Herakles Farms is preparing to export timber felled, in violation of Cameroonian law, to China.*"

Greenpeace revealed in January 2014 that "a little known company" named Uniprovince, which was bought not long ago by Herakles Farms' Cameroonian subsidiary, obtained a licence from the Cameroonian government (ventes de coupe number 11-02-10) for over 6,000 acres. The ventes de coupes was done on the property of Herakles Farms in an area where the company conducted most of its illegal timber activity before even the signing of the presidential decree granting it a provisional land concession in November 2013.

However, Greenpeace notes that, "*the vente de coupe was done in blatant violation of Cameroonian forestry laws. Indeed, the law states that ventes de coupe may only be granted within the framework of a call for tenders, which was not extended to Uniprovince.*" Furthermore, "*vente de coupe no. 11-02-10 is all the more suspect as it does not appear in the more recent list of forestry licences published by the Ministry of Forestry on March 10.*" Yet, it is dated January 28, 2014 and the corresponding certificate was delivered on February 6 which is over a month before the Ministry published its list of valid licences for 2014.

In light of yet another infraction by Herakles Farms revealed by national and international civil society organisations, Greenpeace has called on the State of Cameroon to intervene.

REPEATED COMPLAINTS

Head of Greenpeace Africa, Irène Wabiwa, concluded that this oversight is, "*by all appearances, a deliberate attempt to conceal an illegal decision made in favour of a company behind which Herakles Farms was hiding.*" In light of yet another infraction by Herakles Farms revealed by national and international civil society organisations, Greenpeace has called on the State of Cameroon to intervene "*so that the total stock of timber may be seized and the illegal vente de coupe be called off. An investigation must be opened to determine who is responsible and take steps against all parties implicated in the vente de coupe.*"

In November 2013, Herakles Farms finally obtained a provisional land concession on close to 50,000 acres to cultivate palm oil in the South-West region of Cameroon. But, it was in 2009 that the agro-industrial company signed an establishment agreement for the sale of over 185,000 acres of land. However, international NGOs such as Greenpeace and the Oakland Institute, linked locally by the CED, have always accused Herakles Farms' Cameroonian subsidiary of flouting the rights of residents located in the area of various project sites and even of violating regulations related to environmental protection in Cameroon. The multiple complaints by NGOs as well as those of local inhabitants, led the Ministry of Forestry and Wildlife, Philip Ngole Ngwese, to temporarily suspend activity at Herakles Farms for violating existing forestry legislation. But this measure was lifted several weeks later in May 2013, some six months before the presidential decree officially granting the 50,000 acre deal to the American company.

BRM

10,000 ovens to improve drying and quality of Cameroonian cocoa

The National Cocoa and Coffee Board (ONCC) has just launched the first phase of rehabilitative operations on the ovens for drying cocoa in the production areas where the rainy season coincides with harvest. According to the ONCC, a total of 2,500 ovens will be rehabilitated in 400 villages of the South-West region, for an investment of 1.7 billion FCfa. The operation will last 12 months.

The ONCC indicates that a total of 10,000 ovens have been identified in the South-West and Coastal regions. All this drying equipment was built in the late 1990s and is practically in a dilapidated state today as the standard lifespan of a drying oven is usually 12 years. This was explained by Joël Martin Atangana, National Project Coordinator.

The oven rehabilitation operation, stated Michael Ndoping, Director General of the ONCC, should help to improve the quality of Cameroonian cocoa and increase producers' earnings. Cocoa dried in defective ovens or dried through small scale means in the rainy season gives-off a smoked odour which affects the quality and, consequently, the price on the international market. According to Mr Ndoping, the price vacillates between 40 and 80 pounds Sterling per kilogramme. This represents a major loss of revenue for the sector which ONCC estimates to be 48 billion FCfa per season.

From July/August 2014, Nestlé Cameroon will produce Nescafé using locally produced coffee

As of July, or in August at the very latest, Nestlé Cameroon, a subsidiary of the Swiss agro-foods giant, will produce Nescafé using Cameroon-grown coffee. This was revealed by Richard Dongué, Nestlé's Public Relations and Institutional Communications Director to Central Africa on May 23, 2014 in Douala at a press conference. According to the Nestlé head, the coffee shipments needed to achieve this goal have already been purchased.

Nestlé Cameroon plans to take advantage of its addition to the Cameroonian government's "indirect refinement initiative" provided for in the Cameroonian Customs code which mandates a reduction in the Customs royalties. Indeed, Mr Dongué explains that the Nescafé sold in Cameroon and in throughout the CEMAC zone is imported from Côte d'Ivoire.

According to current practices within the group, the Ivorian subsidiary which produces all Nescafé product sold in Africa (9,000 tonnes) and exported to Poland and Greece (3,000 tonnes), sells the product to all other subsidiaries for the same price. However, while Cameroon pays Customs duties amounting to 30% of imported Nescafé, a country like Nigeria, which shares its highly permeable border with Cameroon, imports its Nescafé duty-free thanks to the free trade zone created by the UEMOA Treaty – a zone to which Nigeria and Cote d'Ivoire belong.

Mr Dongué explains that Nescafé imported from Côte d'Ivoire by Nestlé Cameroon is hardly competitive on the market, particularly in the north where coffee is regularly consumed. The same product imported from Nigeria is much cheaper and has been invading the market through unsecured borders. It is in an effort to overcome this practice that Nestlé Cameroon describes as "unfair competition" that it has decided to produce Nescafé locally.

Basically, indicates Mr Dongué, Nestlé Cameroon will buy coffee locally and will send it to Côte d'Ivoire for its first round of processing. This coffee will then be sent back to Cameroon in its semi-refined form, which will enable it to be exempted from some fees as a part of the "indirect refinement initiative". Nestlé Cameroon will complete processing and will package it so that it can be sold at competitive prices.

Cameroonian cotton no longer to be subjected to American market dictatorship

As of the 4th quarter of 2014, the Intercontinental Exchange (ICE) will launch its new cotton contract. This was the news stated on May 1, 2014 by ICE Futures US president, Ben Jackson. According to experts, this is not only "*a major page being turned in cotton trading*" globally, but also "*a huge step forward for African cotton producers,*" including those in Cameroon.

With the new contract to take effect in the fourth quarter of 2014, the respective realities in Africa (Cameroun, Côte d'Ivoire, Mali, Burkina Faso and Benin) Brazil and India will now influence cotton pricing on the international market. The new futures contract will provide an alternative to contract No. 2 which is the current sector reference worldwide, but only takes into account the particularities of the American market when determining pricing.

Yet, experts explain that, for several years now, contract No. 2 has proven vulnerable "*due increased artificial price manipulation on the markets*". Basically, with the new contract, cotton prices should better reflect the cotton market context of most countries.

Although the global cotton sector is celebrating this new development, many experts are concerned about the capacities of African producers, including those of Cameroon, to respect the commitments outlined in the new contract with regards to delivery deadlines, logistics and quality.

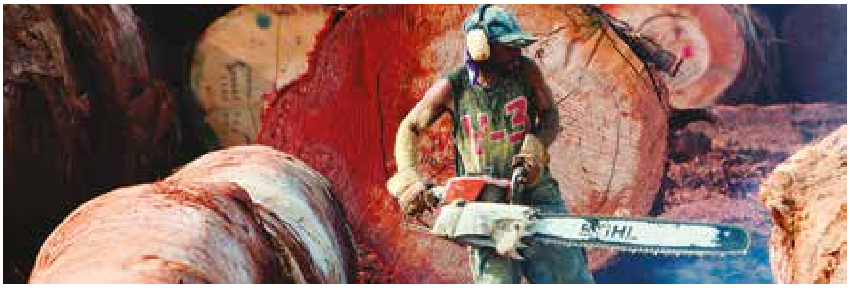
Cameroon explores Israeli drip irrigation technology

The Cameroonian Minister of Agriculture and Rural Development, Essimi Menye, has just visited a drip irrigation technology experimentation site located in the Massakal district in the Extreme-North region of the country. On the ground, Minister Essimi Menyé urged the Cameroonian people to grasp this technology which enables farmers in arid areas to significantly improve their harvests.

Israeli technology was introduced for the first time in Africa in the Eastern Cape region of South Africa in 2003, according to our sources. The project's website (www.sendeveloppementlocal.com) states that drip irrigation has enabled "*most fruit and vegetable farmers who previously produced seasonally*" to "*vary their culture four times per year which invreased production by over 400%.*"

Created in Israel, former Israeli Ambassador, Gedeon Behard, explained that drip irrigation technology is "*the only technology in the world that facilitates watering plants at the root.*" It also allows "*reducing water and fertiliser usage to a minimum,*" according to experts, and remains "*the most significant innovation in agriculture since the invention of sprinklers in the early 1930s, which replaced irrigation methods that previously required too much water.*"

A dream year ahead for timber



Cameroonian operators in the timber are already licking their lips halfway into this fiscal period. This was revealed by the International Tropical Timber Organisation (OIBT), quoted by Commodafrica, when it stated that "*recent price hikes for the most in-demand timber have now consolidated with a consistent demand and producers are convinced that this will continue into the third quarter.*" For Commodafrica, "*Cameroonian exporters are especially well positioned, their orders going all the way to the last quarter of 2014.*"

At the root of this blossoming in the global timber market is "*an increase in demand covering several markets, including Europe and the United States while demand in Asia and the Middle East has been steady over the last few months. Outlook is positive for China, Vietnam and India.*"

One source of concern that has arisen in this global timber market analysis is "*the producers' capacity to provide enough logs to keep up with the shipment schedule.*" But, from this point of view as well, Cameroon's timber sector has been fortunate. "*Exports from Cameroon, though lower, have been going strong and this level of demand supports the entire market,*" stressed OIBT analysts.

Among sectors hit hard by the 2008 international financial crisis, with up to 30% in cancelled orders by Europe and the USA, according to the forestry union, Cameroonian timber has since then made a rebound affirming its position as the number two export product from that country (13.3% in profits) behind oil (50% of export profits). With 45,000 jobs, it contributes to the training of 6% of the nation's GDP.

Semry to develop 18,532 acres of land to increase production

According to the Managing Director of Société de modernisation de la riziculture de Yagoua (Semry), Marc Samatana, the public agro-industrial company is to start, as of 2015, the rehabilitation of 18,532 acres of land devastated by flooding that occurred in rice zones in northern Cameroon in 2012.

This restoration of cultivatable land will make it possible to go beyond the 27,181 acres farmed in 2013, which only yielded 80,000 tonnes of unshelled rice last year, most of which was sold to Nigeria.

Annual rice demand in Cameroon is around 300,000 tonnes. Facing such miniscule production levels and the local under-consumption of the said produce due to uncompetitive prices, Cameroon imports approximately 120 billion FCfa per annum, mostly from Thailand.

Cameroon starts inventory of agro-pastoral production for FAO

The Cameroonian government and the United Nations Food and Agriculture Organisation (FAO) officially started on May 14, 2014 in Yaoundé, the preparatory inventory work on agro-pastoral production in Cameroon. The programme will enter its practical phase in December 2015.

Senior officials of the Ministries of Agriculture and Animal Husbandry have explained that, meanwhile, technical documents are being prepared to draft the methodology and administrative procedures required to run the project. The inventory will be taken over a four-year period starting in 2015 to finish in May 2019, based on initial forecasts.

The inventory, which will enable the updating of Cameroon's agro-pastoral production, presented by the Minister of Agriculture, Essimi Menyé, as one of the key aspects of the transition to second generation agriculture, will cost the Cameroonian Treasury 8 billion FCfa. The FAO's technical support to the project is estimated to cost 221 million FCfa.

FINANCE

Treasury bills for 10 billion FCfa issued since June 4 by Cameroon on the BEAC market

On June 4, the Cameroonian Treasury Department has again issued Treasury bills for a total amount of 10 billion FCfa, as announced by the central bank in a press release. These Treasury bills, of which the interest is based on their nominal value, have a maturity of 26 weeks.
This first operation of the State of Cameroon on the BEAC market for the month of June has come after an auction held on May 28, 2014, largely below the performance achieved since the start of the year by these securities. On May 28, the subscription rate of Treasury bills at 52 weeks issues by the State of Cameroon reached 203% only, against an average of 400% for the totality of fundraising activities made since January 2014.
According to the provisional calendar published by the Cameroonian government, the operation planned for the BEAC market on June 4 should concern Treasury bills with a maturity of two years. But Cameroon's Treasury has visibly changed its mind, certainly due to the non-maturation of projects that have to be financed by this loan in the medium term. This absence of mature projects, as revealed at the Ministry of Finance, has pushed to defer the bond loan of 180 billion FCfa initially planned for the month of June 2014.

25% of loans given by Cameroonian banks are risky, according to the Managing Director of UBA

Speaking on June 1, 2014 in Douala at the 3rd "GICAM University" event, the Managing Director of UBA Cameroon, Georges Wega, revealed that 25% of loans issued by Cameroonian banks have uncertain outcomes. "*This means that if the bank granted 100 loans in a given year, twenty-five of them would run the risk of not being reimbursed,*" he clarified, countering the claim made by the business community that commercial banks have been blocking access to credit.
Expanding on the remarks made by the UBA Managing Director, Felix Zogning recalled that reprimands made to banks with regards to loans can also be the result of the strict adherence to ratios given to banks by the Central African Banking Commissions (COBAC).
Indeed, noted Félix Zogning, according to the requiremens of the banking sector watchdog of the CEMAC zone, the banks of that region cannot have a loan portfolio of an amount greater than 8 times the total funds of the bank. Furthermore, it is forbidden for banks to grant a loan of which the amount is equivalent to 15% of the banks own funds.
All these regulatory restrictions contribute to limiting loan access in Cameroon in keeping with the limited structure of the companies that request financial support from Cameroonian banks, stated Georges Wega.

Georges Wega, Managing Director of UBA Cameroon

Amity Bank up for liquidation despite CEMAC Court of Justice decision

On April 7, 2014, the Central African Banking Commission (COBAC), the banking sector watchdog within the CEMAC zone, officially notified Amity Bank of the liquidation of the Cameroonian loan establishment, following the withdrawal of its licensing in December 2013, as revealed in a press release on May 8, 2014 by the liquidator, Alfred Tiki, the former interim administrator of this very bank.

The start of Amity Bank's liquidation comes when, since 2011, the CEMAC Common Court of Justice based in Ndjamena in Chad, in which shareholders of Amity Bank filed suit for the robbery of their bank, rendered a verdict that challenged the takeover of Amity Bank by the Ivorian Banque Atlantique in 2010.

With this decision, the supranational CEMAC court of law was against the transaction which occurred a year earlier between the Cameroonian government and the Ivorian group, Banque Atlantique, for the acquisition of Cameroonian Amity Bank's assets which were placed under 2006 interim management by COBAC following lapses identified in its management.

Emboldened by the court ruling and despite taking over full control of the Amity Bank signage by Banque Atlantique since 2010, Amity Bank shareholders gathered on May 15, 2013 in Douala at a general assembly which led to the bank's resuscitation. But, official sources suggest that the general assembly was not legitimate as quorum was not met.

South Africa's Standard Bank eyes Cameroonian banking sector

After the opening of a liaison office in Cote d'Ivoire in November 2013, the Standard Bank, the South African bank considered to be the largest lender in Africa, is planning to widen its presence into the UEMOA and CEMAC zones, particularly in Cameroon.

According to the head of the Standard Bank's Investment and Corporative Division for Africa, Greg Goeller, apart from the 148 million customers and a nominal GDP combined GDP of 167 billion dollars (around 83.5 trillion FCfa), CEMAC and UEMOA countries have a major advantage which "*lies in the fact that their currency (the Cfa franc) is guaranteed by the French Treasury while the currencies in the two monetary unions are carried by the euro. This provides investors with a lot of stability as far as monetary risk is concerned.*"

The Standard Bank also explains the institution's interest in West and Central African countries by highlighting that, "*South African companies and those of a large section of the western world, excepting France, have not traditionally played a major role in French-speaking Africa. But the world simply can't afford to continue ignoring the countries' potential for economic growth.*"

For Mr Goeller, "*although direct foreign investment in French-speaking Africa has largely been linked to mining and natural resources, which accounts for 83.9% of the total value of transactions made in Gabon, Cote d'Ivoire, Cameroon, Guinea, Senegal and Sierra Leone and the Congo in the 2008-12 period, it is time for a change.*" Standard Bank believes that other sectors, including oil and gas, infrastructure, telecommunications, rapid-growth consumption goods and agriculture will attract more and more investors to Africa.

This reality is already apparent in Cameroon where the government is engaging in major energy projects (electricity, natural gas, renewable energies and oil), mining (iron from Mbalam and Nkout, bauxite from Minim Martap, diamonds from Mobilong), infrastructure (national railway service) and agro-industrial production, most of which still need financing. Furthermore, with its bilingualism, Cameroon has a comparative advantage relative to other French-speaking countries, for which Mr Goeller fears that "language may at times be a slight obstacle" for doing business with English-speaking companies such as Standard Bank.

TELECOM

Telephone company, Viettel Cameroon, accused of importing labour heavily from Vietnam

With four months remaining before Cameroon's third mobile telephone provider opens its doors, the social climate at Viettel Cameroon is anything but serene.

Indeed, over the last few days, the company's employees have been bombarding the Cameroonian media with reports of heavy recruitment of Vietnamese executives to the detriment of local workers. The practice has made relations between Cameroonians and Vietnamese employees difficult.

According to the employees, Viettel Cameroon currently has 317 predominantly senior employees out of a total of 600 on staff. Company heads of challenged this claim with the estimate that the number of Vietnamese recruited is between 100 and 150. At the signing of its contract in 2012, the Vietnamese company had announced the creation of 6,300 jobs in the country.

Interviewed by the daily government publication about what has been referred to as "*an invasion of Vietnamese workers*" at Viettel Cameroon, the company's Managing Director, Moïse Bayi, presented the issue as a matter of "*technical assistance*". "*They are here to build the network. The Vietnamese executives have been brought here for the transfer of technology. We wish to build our own products instead of using the infrastructure of our competitors.*"

However, the head of the Vietnamese company's subsidiary admits that there are cultural barriers between Vietnamese and Cameroonian staff which does not always make the job easier. "*We have a western mentality. They share with us and we share with them. We are learning to work together. It is true that, at first, we had some problems but these are steadily dissolving,*" stated the Managing Director of Viettel Cameroon, the telecommunications company that has delayed its official launch twice for technical reasons.

A few months ago, it was a quarrel between Vietnamese and Cameroonian that started within the company. The disagreement concerned the division of the company's social capital. But, in March 2014, a compromise was reached between Nguyen Duy Tho, Managing Director of Viettel Global JSC, and Ahmadou Baba Danpullo, the head of Bestinver Cameroon, the Vietnamese company's local partner.

The arrangement between the two parties involves Ahmadou Baba Danpullo remaining as chairman of the board at Viettel Cameroon, keeping 30% of capital. In exchange, Nguyen Duy Tho becomes deputy chairman of the board while the company, which was a limited liability company becomes a public limited company with 20 million FCfa in capital.

BRM

Cameroonian and Gabonese mobile operators flood the Equatorial Guinean network

For several years, Equatorial Guinea has been complaining about interferences in its network in neighbouring cross-border towns with Gabon and Cameron. "*Some populations in Ebebeyin (capital of the Kyé province – Ntem in Equatorial Guinea) use even Cameroonian SIM cards, particularly those of Orange Cameroon,*" explained Cándido Muatetema Baita, the deputy director general of the Telecommunications Regulatory Office of Equatorial Guinea (ORTEL) in the margins of the Postal and Telecommunications Conference of Central Africa (COPTAC) held in Yaoundé.

The country has already officially demanded that its neighbours find a solution to this situation that it has again brought before COPTAC. "*We have come before COPTAC to have a topic debated: the interference of waves from telecommunications operators at the borders between Equatorial Guinea and Cameroon and those between Equatorial Guinea and Gabon. We want to find a solution to this problem, not only at our borders, but along all the national borders of Central Africa,*" he affirmed.

In his opinion, the situation is costing Equatorial Guinea revenue. "*In Ebebeyin, Gabonese and Cameroonian signals are stronger than that of Equatorial Guinean operators which often isn't even there. The same goes for Mongomo at the border with Gabon where the Gabonese signal floods that town. All of this is costly for Equatorial Guinea and it is ORTEL's role to defend the interest of local operators,*" he revealed.

B-O.D.

Camrail wants to interconnect its passenger stations with fibre optics from North to South

Cameroon Railways (Camrail), franchise holder of the Cameroonian railway, plans to connect all its passenger stations with fibre optics from Douala to Ngaoundéré, in northern Cameroon by way of Yaoundé, the country's capital. This was revealed in the call for expressions of interest recently launched by the rail company to conduct a feasibility study for the project.

For the time being, "*The issue isn't the study. The issue is to know of the project can be achieved and under what conditions? From this point of view, the study will show us the legal constraints that could impact the project's feasibility,*" said an internal source at Camrail when asked about the regulations governing the use of fibre optics in Cameroon (particularly in interurban areas), as this technology is exclusively the right of Cameroon Telecommunications (Camtel), the public telecommunications provider.

Since December 18, 2013, Cameroon's public service electricity provider, AES Sonel, has been hit with a 50 million FCfa fine by the Telecommunications Regulations Agency (TRA) "*for operating an independent, private network without authorisation.*"

At Camrail, company heads stated that the fibre optics were put in place for internal purposes in keeping with applicable regulations. However, the latter admit that they wanted to use whatever margins were allowed under those regulatory guidelines to explore other uses such as facilitating the travel of their passengers by providing them with internet access on the train or in station waiting rooms as the company intended.

ENERGY

Cameroonian government and Actis make AES deal official

The British investment fund Actis LLP and the Cameroonian government, represented by the Ministers of Finance and Energy, have taken-over all of AES Corporation's assets (AES Sonel, Kpdc and Dpdc) in the electricity sector in Cameroon. According to Basile Atangana Kouna, the Cameroonian Minister of Energy, the formalisation of the partnership agreement with Actis was concluded with the signatures of both parties, including one that concerns the shareholding agreement and the guarantee of the Cameroonian government to AES-Sonel's lenders.

The content of the agreements has not been published, but the Cameroonian government representative explained that Actis' arrival should not worry the public. "*Actis is committed to continuing the investments begun by AES in Cameroon. It is also committed to saving the jobs that will be left behind by its predecessor and also indicated that it would be giving 5% of its capital to employees. There is therefore no reason to fear the arrival of this new investor in the sector,*" explained Minister Atangana Kouna.

For his part, David Grylls, who represented the investment fund indicated that Actis is taking its new responsabilities very seriously and will honour its engagements with regards to the Cameroonian government and its populations. "*Our vision for Sonel is based on five major components: continuity of service, investment, operational performance, consolidation of management and staff and optimal governance,*" he declared when he intervened.

GLOBELEQ TO MANAGE KPDC AND DPDC

With regards to the Dibamba and Kribi thermal plants, Actis LLP would manage them through its subsidiary, Globeleq Africa, which, according to a document distributed to the press at the May 23 ceremony, and would share its experience with two other AES Corp subsidiaries in Cameroon, KPDC and DPDC, which produce energy for AES Sonel from the two previously mentioned thermal plants.

AES announced in early November 2013 that it had reached an agreement with Actis for the sale of its shares in Cameroon's electricity sector for a total amount of 220 million dollars (around 110 billion FCfa).

The deal between Actis and AES Corporation should close without difficulty as the British investment fund has already secured in 2013, through Actis Energy 3, the funds needed to meet its financial obligations towards the AES Corporation. AES announced in early November 2013 that it had reached an agreement with Actis for the sale of its shares in Cameroon's electricity sector for a total amount of 220 million dollars (around 110 billion FCfa).

The 1.15 billion dollars (over 500 billion FCfa) raised by Actis Energy 3 should enable the organisation to cover this amount. Nevertheless, Actis will be joining the Cameroonian electricity sector at a time when there is more and more pressure on Cameroonian people. This requires a more stable energy at more sustainable prices. Actis has not downplayed these challenges, but, in an interview with Financial News in November 2013, Mr Grylls had indicated that the greatest difficulty that Cameroon presents is a political one as is the case in most of the markets in which the fund has operations.

Idriss Linge

Cameroon State grants to oil products to reach 450 billion FCfa in 2014

The World Bank's representation in Cameroon has just revealed in its economic report for the 2014 budgetary period that State grants for oil product consumption will reach 450 billion FCfa which is 3% of the country's GDP.
This sum will be increased by 30 billion FCfa as it had reached a total of 420 billion FCfa last year according to official figures by the Cameroonian government. The international financial institution notes that only 220 billion FCfa, or a little under 50% of the necessary sum, is provided for in the 2014 budget to support these grants.
This revelation comes at a time when the International Monetary Fund (IMF) mission is present in Cameroon as a part of the standard consultations held within the framework of Article IV. For two years now, the team led once again by Mario Zamaroczy has been advising the Cameroonian government to end these grants which, according to the IMF, significantly destabilise the State's budget and are counter-productive for the Cameroonian economy as, according to analysis by the Bretton Woods institution, "*these grants benefit the rich.*"
Since February 2008, the Cameroonian government has decided to block oil product prices at the pump, despite the hike in crude oil prices on the international market. The difference between pump prices and the real rates that move with the global trading of crude oil being borne by the State Treasury. This decision resulted from the "hunger" riots which had inflamed the country after oil product prices increased.

Chad-Cameroon pipeline operating at only 50%

Two hundred and fifty thousand barrels of crude oil per day is the pipeline's optimal capacity which transports oil production out of Chad. However, according to internal sources at the the Pipelines' Steering and Monitoring Committee (CPSP), since the completion of the investment in Sub-Saharan Africa, the Chad-Cameroon pipeline has never transported more than 125,000 barrels of oil per day – which is 50% of its actual capacity.
This daily transport capacity should considerably increase with the arrival of new mining entities in Chad's oil fields. The newcomer is Canadian company, Caracal Energy, which announced on March 24, 2014, that it had completed its first cargo of 950,000 barrels of Chadian oil sent from Komé to Kribi, in southern Cameroon.
Meanwhile, it has been announced that the Chad-Cameroon pipeline will be carrying oil produced in Chad by China Petroleum Corporation International, the British company Griffiths and even the Nigerian oil company's production since a 1,070 km pipeline is to be built in that country, of which a section will be connected to the Chad-Cameroon pipeline.

Cameroon starts prospecting for renewable energy sources in five regions

The Cameroonian Minister of Energy and Water has just made a call for expressions of interest to recruit a consultant "*to conduct studies on prospecting and the development of a map of renewable energies based on nature and ores.*"
The first phase of this inventory of renewable energy sources in Cameroon will be done in five regions of the country, including the Centre, East, Coast, South and South-West. The study will enable the creation "*of a geo-referenced database and a programming tool for the construction of renewable energy projects that take into account the specificities of each region in Cameroon.*"
Consultants interested in this call for expressions of interest had until May 26, 2014 to submit their bids to the Renewable Energies Directorate of the Ministry of Energy in Yaoundé, and were required to demonstrate a financial capacity greater than 10 million FCfa.

Tower Resources wants to go faster on the oil block Dissoni

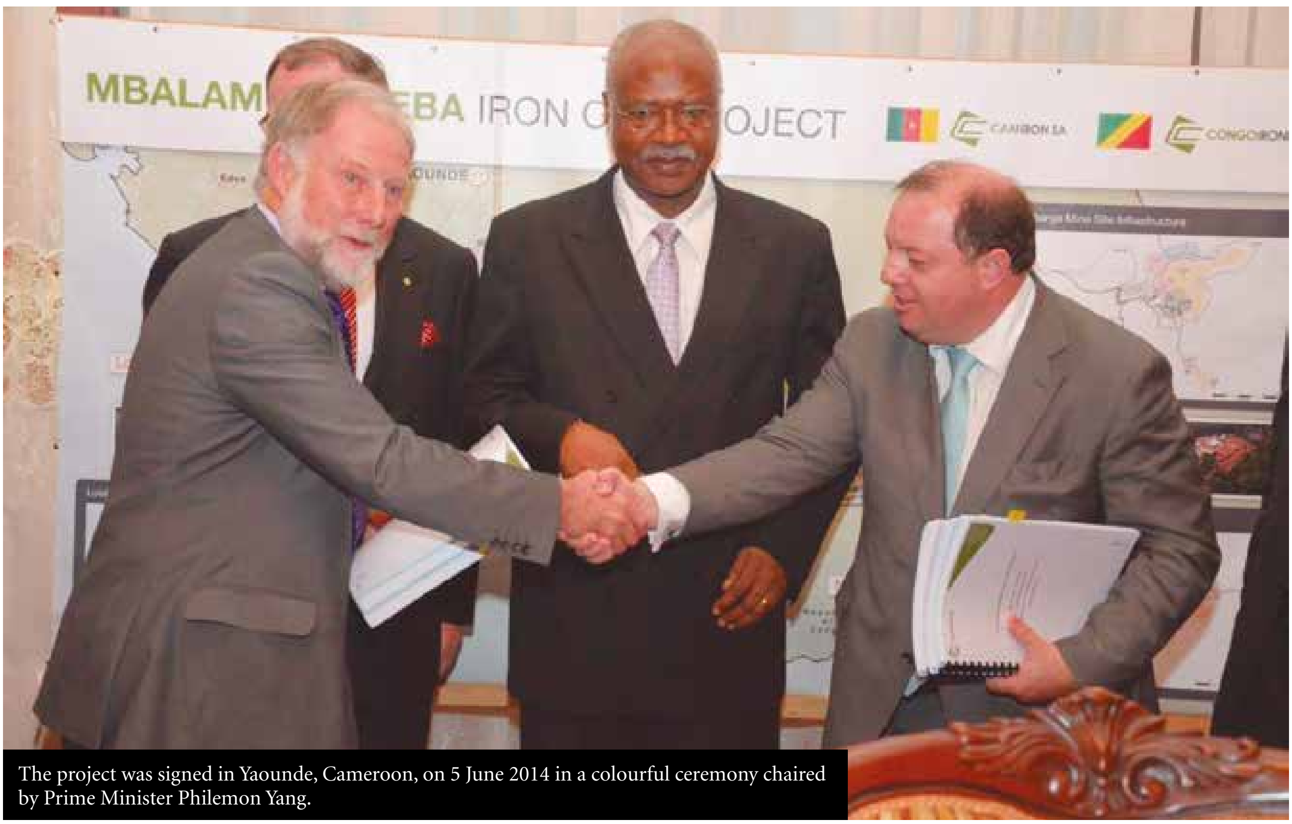
Tower Resources Plc would like to rapidly seal the deal of the shared oil production, and most importantly, start the 3D seismic survey in the Dissoni offshore block. This oil and gas company, listed on AIM, was selected in 2013 for the possibility to bid on the license of this block.
The block Dissoni is located in the Rio Del Ray Basin, an extension of the Niger Delta, the oil rich region of Nigeria.
According to Tower Resources, the block Dissoni is adjacent to already existing blocks "*that have a long history of oil production*". The discovery of oil in Oak in 2012 by Glencore on the adjacent block Bolongo is "*reassuring on* [Dissoni] *potential*".
Tower Resources has several assets in sub-Saharan Africa including Namibia, Zambia, Kenya, South Africa, and has ownership claims on 50% of blocks Guelta and Bojadar in Western Sahara.

SNH forecasts production doubling to 57 million barrels in 2016

In the first edition of its "economic newsletter" on Cameroon, recently presented to the press in Cameroon's capital, the local office of the World Bank reveals that "*oil and gas production in Cameroon should noticeably increase in the years to come.*"
Projections are all the more promising because the same source reveals that, "*in the medium term, oil production could more than double thanks to the mining of new oil deposits. According to SNH projections, it could reach 57 million barrels in 2016, compared to 24.4 million barrels in 2013.*"
SNH, the giant public oil mining company in Cameroon, has already forecast a 24% increase in national production this year to 30 million barrels thanks, in part, to onshore mining of the Myia oil field in the Douala-Kribi-Campo basin.

MINING

Sundance Gets Strategic Infrastructure Development Partner



The project was signed in Yaounde, Cameroon, on 5 June 2014 in a colourful ceremony chaired by Prime Minister Philemon Yang.

Mota-Engil Africa has been chosen as the Engineering, Procurement and Construction (EPC) contractor to build the port and rail infrastructure for the project.

Sundance Resources Limited, an Australian firm leading the multi-billion iron ore projects in Mbalam (Cameroon) and Nabeba (Congo) has clinched a deal with a leading international engineering and construction company, Mota-Engil Africa, as the contractor to build the US$3.5 billion port and rail infrastructure for the Mbalam-Nabeba Iron Ore Project. The binding and bankable Engineering, Procurement and Construction (EPC) contract for the construction of the Cameroon portion of the port and rail infrastructure component of the project was signed in Yaounde, Cameroon, on 5 June 2014 in a colourful ceremony chaired by Prime Minister Philemon Yang.

COMPONENTS OF THE INFRASTRUCTURE DEVELOPMENT

Mota-Engil Africa's role includes detailed design, construction, testing and commissioning of the 510-km railway from the Mbarga mine in Cameroon to the Mineral Terminal Facility at Lolabe on the west coast of Cameroon, the 70-km rail spur line from the Nabeba Mine in the Republic of Congo (Congo-Brazzaville) to the Cameroon railway; and a 35-Mtpa deep water Mineral Terminal Facility, including stock yards, capable of loading 'China-max' vessels. Standard Bank was also chosen as the financial partner. Sundance CEO and Managing Director Mr Giulio Casello, is quoted in a press release issued after the event as saying that, "*the appointments of these groups marked a pivotal point in the project's development. Mota-Engil Africa is a globally-recognised European engineering and construction company with extensive experience in building transport infrastructure for large bulk-commodity mining projects in Africa. Alongside Standard Bank, with their Africa-focused strategy to promote* *business investment in the region, both are a fantastic fit for Sundance and the project,"* Mr Casello said. He added that the decision by Mota-Engil Africa and Standard Bank to take on the key roles of engineering and construction contractor and lead debt funding arranger is a major vote of confidence in not only Sundance and the project, but also in the central African countries of Cameroon and Congo "*The Mbalam-Nabeba Iron Ore Project will be one of the lowest cash-cost producing assets in the world. Now that we have confirmed capital costs for the project, I believe it is positioned as the most attractive large-scale, high grade iron ore project in the world that is ready for development*", he said.

Discussions, Sundance sources say, are well advanced with a wide variety of potential funding partners; Export Credit Agencies, Development Funds and Commercial Banks have reportedly already expressed interest in providing debt funding. Sundance, Standard Bank and Mota-Engil Africa are also advancing plans for an alternative funding strategy based on an Own Operate and Transfer model for the port and rail infrastructure. Discussions on this strategy are underway with specialist infrastructure operators and financiers.

The EPC contract signed between CAM IRON and Sundance and Mota-Engil Africa was part of three other concessions agreements signed during the same ceremony to give shape to the much heralded project. These included a revised convention of the project signed between the Minister of Mines, Industries and Technological Development and officials of Sundance and CAMIRON, a mineral terminal concession agreement signed between the Minister of Public Works and the Chairman of the Steering Committee of the Kribi Deep Seaport project and a railway concession agreement between the Ministers of Public Works and that of Transport.

Chairing the ceremony, Prime Minister, Head of Government, Philemon Yang, said government holds the project in high esteem given its envisaged socio-economic fallouts and would not relent any effort in ensuring that it succeeds. "*The iron ore project expertise of Australia's Sundance Resources, together with the rail and port construction capability of Mota-Engil Africa and the financial strength of Africa's largest bank Standard Bank, make a formidable team to develop the Mbalam-Nabeba Project which will bring significant employment benefits and economic growth to our country,*" he said. Like the Prime Minister, the President of the project's steering committee, Louis Paul Motaze, said government on November 29, 2012 signed a mining convention with Sundance and the company was given 18 months to show proof of mobilising the about FCFA 3,000 billion needed for the first phase of the project. The June 5, 2014 event, he said, was proof of the fact that the project is on a good footing. "*Government made sure that the infrastructure proposed by the contracting firm meet international standards and will be in line with the railway national master plan as concerns rail infrastructure,*" he said.

The iron ore project expertise of Sundance Resources, together with the rail and port construction capability of Mota-Engil Africa and the financial strength of Africa's largest bank Standard Bank, make a formidable team to develop the Mbalam-Nabeba Project

Another milestone of the project was the signing of a long-term off-take contract with a leading global commodities trader, Noble Resources International, to buy all the production for the first 10 years of operation outside that allocated to project equity participants. According to the Chairman of Sundance, George Jones, all will be done to meet the needs of government and the population. Meanwhile, the General Manager of the Portuguese firm, Gilberto Rodriguez, pledged to use the experience in infrastructure development coupled with its long stay in Africa to give Cameroon infrastructure that will transform the future of the country and the image of the continent. The four to five-year project, he said, will recruit about 5,000 people and will greatly subcontract with Cameroon's companies.

AN INFRASTRUCTURE PROJECT

In the words of the Lead Financial Adviser for the project, Mr. Serge Yanic Nana, President of FINANCIA Capital, the Mbalam project is more an infrastructure than a mining project because more than 80% of the capital expenditures will be allocated to finance infrastructure. "*From an infrastructure standpoint, the stakes for the government of Cameroon are as follows: Construction stake concerns the implementation of railway infrastructures that meet the global standards in order to provide Cameroon with world-class facilities; Third Parties Access stake relates to the mitigation of the monopoly risk given the status of CAM IRON as the construction and operating contractor. The access of Third Parties to the facilities will depend upon sovereign decisions from the Cameroonian State. This provision will enable an easy access to mining companies operating in neighbouring countries without any interference from CAM IRON S.A.,*" he said. Expansion capacity stake, he added, concerns the flexibility in the design of the infrastructure that should allow for an expansion capacity from 35 to 100 mtpa. The mining companies that will apply for an access to the infrastructures will incur the Financing Costs of this expansion.

Godwill Nkwain

Portuguese company Mota-Engil to build Mbalam-Kribi railway

The Portuguese construction company, Mota-Engil SGPS, S.A. (NYSE Euronext Lisbonne: MOTA ENGIL), will be building the 510 km railway connecting Mbalam in the east of the country to the deep water port in Kribi in the south. Another 71 km connecting Nabeba (Congo Brazza) to Mbalam is in the works. The Portuguese company will also build the iron berth of the deep water port at Kribi which will enable the stocking of cargo from the Mbalam mine.

An agreement between Mota-Engil and Cam Iron was signed on June 5, 2014 in Yaoundé between the CEO of Mota-Engil Africa, Gilberto Rodrigues, and the Managing Director of Cam Iron, Serge Asso'o. This was done in the presence of the CEO of Sundance Resources, Giulio Casello, and Cameroonian Prime Minister, Philémon Yang.

Already present in many African countries where it is currently engaged in a series of construction projects, Mota-Engil is no newcomer to railway construction. The leading Portuguese construction firm has already built 147 km of railway in Malawi starting from the border with Mozambique, where the company was active in 2013, with two mine railway contracts covering 100 km between Nkaya and Entrelagos, for a budget of 78 million € (approximately 52 billion FCfa).

In 14 months, the construction project will connect the Moatize mine to the deep water port of Nacala. The second project concerns the modernisation and securing of the Sena 550 km of railway between Beira and Moatize. The cost of the project that it is completing in partnership with Edivisa in Mozambique is estimated at 162.7 million euros (around 106 billion FCfa).

UGANDA AND ANGOLA

In May 2014 in Uganda, Mota-Engil landed a 60 million euro contract for the widening of the Northern Bypass located in Kampala. Roadwork is expected to begin in June and will last 30 months. In Angola, it has been present since 1946 and has opened 12 subsidiaries. In March 2014, Mota Engil announced the creation of two new subsidiaries. One will be specialised in tyre recycling and the other will do electrical network assemblage. It was based on these accomplishments that Mota-Engil, through its local subsidiary, reached a joint-venture agreement with Visabeira on May 15, 2014 to create Vista Power which will operate in the energy, transportation and electrical distribution sectors.

The company signed a contract with the local public authorities for the construction of 240 km of roadway connecting Zambia to Malawi for a total of 118 million euros. It plans to invest 36 million there. The Portuguese company also has on-going construction projects in Ghana. Cameroon is the tenth African country to welcome the Portuguese company. "*Africa is our future. We believe in Africa. We are determined to find solutions for Africa's challenges,*" stated Gilberto Rodriguez to the press.

AMBITION 2.0.

Interviewed about the sit-in by Mota-Engil employees in Malawi last February due to "*the massive importation of Portuguese workers,*" Gilberto Rodriguez assured journalists that Cameroonian

SCHEDULE FOR THE COMPLETION OF THE MBALAM IRON PROJECT

- Completion of the final feasibility study: 6 months starting from the date the Mbalam Agreement was signed
- Finalisation of the financial framework: 12 months subsequent to the signing (on June 5, 2014) of the EPC infrastructural construction contract
- Start of preliminary work on the sites: late 2014
- Start of work on mining infrastructure: 2015
- Start of railway and port construction: 2015
- Start of business activity: early 2019

Source: Services of the Prime Minister of Cameroon jobs were safe. The company has around 5,000 employees, according to estimates. He also denied information that the company brought in project foremen from South Africa. Serge Yanic Nana, Lead Advisor to the Cameroonian government, took the opportunity to specify that, in the negotiations held, local jobs were integrated as well as training for local executives. Furthermore, the labour unions were taken into account, he stated.

Engaged in a strategic plan christened "Ambition 2.0", the Portuguese group wants to make Africa the centre of its internationalisation plan. At the end of the first quarter of 2013, it had already garnered two contracts across Africa worth 500 million.

According to the CEO of the group, Gonçalo Moura Martins, with orders received in Africa in 2013, Mota-Engil reached unprecedented levels of activity in Africa, giving it a competitive advantage in a very tight market.

Created in 1946, Mota-Engil went to Porto in Portugal. The company is a subsidiary of Mota Gestão e Participações, SGPS, SA. Its net results in 2013 increased by 24% to 50.5 million euros. Its total sales on foreign markets surpassed 74% of the total (2012: 65%). Its sales in Africa and Latin America climbed to 35%. Its earnings before interest, income tax and other deductions or provisions in Africa amounted to 244.2 million euros compared to 85.5 million euros for Europe and 35.5 million euros for Latin America.

THE MABALAM PROJECT

Mbalam-Nabeba project is located in Central Africa and will include an iron mine in Cameroon and another in Congo that is served by a railway network of 510 km crossing from east to west Cameroon to the deep water port on Cameroon's west coast as well as 71 km of rail connecting Nbeba to Mbalam. The project will produce high-grade haematite (HHT) also known as Direct Shopping Ore (DSO) for at least 10 years until the reserves have been exhausted. This project will then move to lower grade itabirite mining for 25 additional years.

The company has been registered in Cameroon since April 27, 2005 with the Yaoundé Trade and Personal Property Credit Register, Cam Iron SA. Its capital is divided between the Australian company Sundance Resources Ltd (SRL) and local shareholder company, HoldCo, respectively by 90% and 10%. This is the company that holds two exploration licenses on the promising concessions of Mbarga Hills where the French Office of Geological and Mining Research (BGRM) had conducted magnetic surveys in the 1960s. The project agreements with the Cameroonian and Congolese governments and the engineering arrangements were finalised in late 2012.

B-O.D.

Standard Bank to raise financing for the Mbalam iron mining project in Cameroon

Standard Bank, the leading African bank with 23 billion USD (11.5 trillion FCfa) in stock market capital announced on June 5 in Yaoundé, the Cameroonian capital, that it plans to raise financing for the completion of the Mbalam iron mining project. An agreement was signed the same day between bank heads, the Cameroonian government and the fledgling Australian mining company, Sundance.

According to Serge Yanic Nana, financial advisor to the government for the Mbalam project and Cameroon's Lead Advisor, "*Standard Bank will be raising funds from the total pool of international lenders participating in the project.*" In the final feasibility study, it was indicated that the project will need 4.686 billion USD (around 2.3 trillion FCfa) in financing, of which 2.019 billion USD (a little more than 1 trillion FCfa) was needed for the construction of the railway. Cameroon's chief advisor explains that Cam Iron, the Cameroonian subsidiary of Sundance Resources, has committed to investing approximately 1.5 trillion FCfa in the railway and 450 billion FCfa in the mining project.

It will also complete infrastructure following technical guidelines that are in keeping with international standards and the environmental norms that are applicable in Cameroon. "*The Mbalam Mining Convention signed in November 2012 between Cam Iron S.A. and the State of Cameroon provided for the creation of three companies in charge of the three main activities of the integrated Mbalam project, namely (i) MineCo for mining, (ii) RailCo for railway, and (iii) PortCo for the port,*" explained Serge Yanic Nana.

Cam Iron will also have to, without financial compensation, return the entirety of rail and port infrastructure at the end of the 25-year concession deal. Serge Yanic Nana states that "*the State's total revenue on average over the 25-year period, will be 300 billion FCfa with less income over the first 10 years (Phase I) and more revenue in the remaining 15 years (Phase II).*" According to the Cameroonian government, after this interval, Cam Iron/Sundance and the government will have to engage negotiations and the conclusion of other legal instruments applicable within the Mbalam Convention, such as the Convention on the Conservation and Development of Forestry (UFA 10034), conceded to Cam Iron; the document of legislative approval of the provisions of the Mbalam Convention and the Cameroon-Congo Bilateral Agreement on the cross-border transportation of minerals.

Mota Engil, the Portuguese company that will have to build the railway and Standard Bank of South Africa will have to do their due-diligence in order to fine-tune the project's financial structure and establish an optimistic timeline for the raising of the necessary funds to start work at the construction site. "*The financial framework is expected to be take six to nine months, starting from June 5, 2014, the date of the signing of the concession agreements for the port and the railway as well as the EPC contract,*" stated a source from the Office of the Prime Minister.

INDUSTRY

Nestlé Cameroun plans to reduce its importation of raw materials by 70%

The Cameroonian subsidiary of Nestlé is offering, in the medium term, to buy an additional 75% of raw materials, according to internal sources at the company. Mathematically, the project would correspond to a reduction in imports by around 70%. Currently, 84% of raw materials used in the Douala Nestlé factory as well as 59% of packaging used for processing Nestlé Cameroon products are imported.

Imports are primarily cassava starch (1,500 to 1,800 tonnes per year for expenditure reaching 300 million FCfa) and cooking salt, ingredients used in the production of Maggi soup bases. According to our source, this product represents 90% of Douala Nestlé factory's total production.

In addition to the contacts already made with two salt production companies based in Douala, with which Nestlé Cameroon plans to source up to 100% of its cooking salt needs, the Cameroonian subsidiary of the Swiss agro-foods Swiss giant is eyeing starch production by Société de transformation de manioc de Sangmélima or the Sangelima Cassava-Processing Company (Sotramas), currently being put in place in the South. Sotramas plans to process 120 tonnes of cassava starch daily.

After taking samples of cassava varieties that can be used by the company across Cameroon, the Nestlé Research Centre in Abidjan chose four varieties that met the company's quality criteria. These varieties will be cultivated by Sotramas providers which will then provide Nestlé Cameroon with the finished product if the price is competitive.

In this effort to reduce cassava importation, Nestlé is also counting on PIDMA, a Cameroonian government programme financed to the tune of 50 billion FCfa by the World Bank which aims to boost the production of cassava, corn and sorghum in order to facilitate supply to agro-foods companies.

Société des eaux minérales du Cameroun deficit widened significantly in 2013

The first Cameroonian company listed on the Douala Stock Exchange (DSX), Société des eaux minérales du Cameroun (SEMC) has not been doing well. According to the company's financials, obtained by Ecofin, SEMC finished 2013 with a net loss of -319 million FCfa, compared to -50.5 million FCfa at the end of 2012.

Alarm bells had already gone off in an SEMC general assembly report on June 28, 2013. At this shareholder meeting, the report revealed that the company had lost 11% of the mineral water market share in Cameroon relative to 2012 due to aggressive competition. In particular, Source du pays (SP), which has largely influenced the mineral water market in 2013 with its 5 and 10 litre, low-cost Supermont brand, has made in-roads.

With this lacklustre performance, SEMC, a subsidiary of the Castel Group's limited-liability company, Brasseries du Cameroun, remains among the bottom three companies on the DSX along with Safacam and Socaplam.

Leader of the month

Alfred Forgwei Mbeng appointed Managing Director of Chantier naval et industriel du Cameroun (CNIC)

Alfred Forgwei Mbeng was appointed to the post of Managing Director of Chantier naval et industriel du Cameroun (CNIC) on May 6, 2014 after an extraordinary board meeting was held in Douala. He replaced Mr Bayiha, formerly the top technical advisor at the National Hydrocarbon Company (SNH), the candidate previously promoted to the position of Managing Director at the Cameroon's Shipyard on March 12, 2014 but did not assume his post.

The promotion of the Alfred Forgwei Mbeng to the board chairmanship sounds the end of the management feud to gain control of the company, such as the replacement of Bernard Bayiha due to opposition from SNH, also a majority shareholder in CNIC which found that it had not been consulted before this nomination. Alfred Forgwei Mbeng will inherit a company in turmoil following Zaccheus Forjindam, first managing director, being found guilty of embezzlement.

But the arrival of Cameroonian at the helm the CNIC puts an end to the technical support that was being provided to the organisation.

AN END TO THE KOREAN PARTNERSHIP

With overall sales amounting to 12 billion compared to 40 billion a decade ago, CNIC's difficulties involve cash flow problems that have led to strikes throughout 2013 by employees demanding the payment of outstanding wages.

Indeed, Alfred Forgwei Mbeng will be replacing Korean, Seoung Rok Yang, as Managing Director – a position to which the latter was first appointed in April 2012, later assuming leadership of the public sector industrial company on October 2, 2012.

But the arrival of Cameroonian at the helm the CNIC puts an end to the technical support that was being provided to the organisation. In the end, the partnership proved hardly fruitful, only contributing to more tension at home. Indeed, Alfred Forgwei Mbeng will be replacing Korean, Seoung Rok Yang, as Managing Director – a position to which the latter was first appointed in April 2012, later assuming leadership of the public sector industrial company on October 2, 2012. He resigned after several mood swings that shaped his tenure at the helm of the shipyard company.

Deemed incompetent by some of his closest colleagues, Seoung Rok Yang had landed in the position of CNIC head following the sacking of his countryman, Moon Kwi-ho, who had paid a heavy price for strategic errors made with the company's board chairman, Louis Claude Nyassa. Reliable sources have revealed that the Korean was fighting to have Yard pétrolier de Limbé, a strategic post being built by CNIC, focus on the shipyard construction project while the board preferred to prioritise shipyard repair on the west-African coast.

BRM

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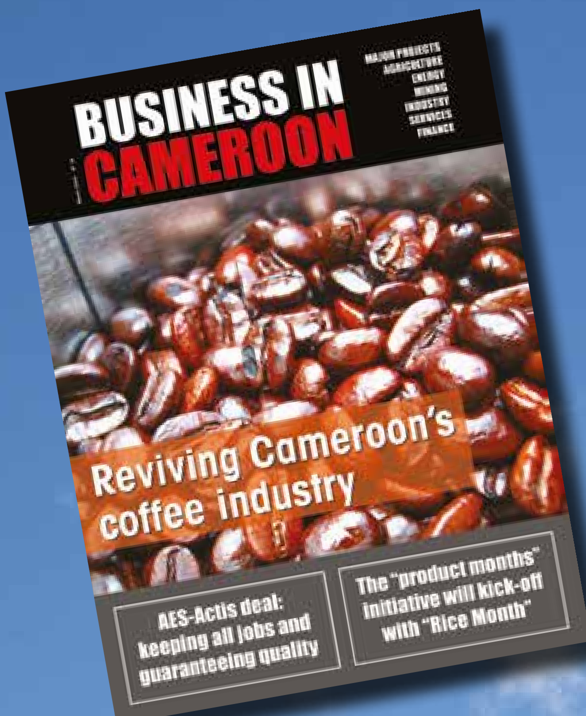

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